

## Message Text

LIMITED OFFICIAL USE

PAGE 01 JIDDA 03839 061104Z

43

ACTION COME-00

INFO OCT-01 NEA-10 ISO-00 EB-11 DRC-01 RSC-01 /024 W

----- 021059

R 061003Z SEP 73

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 4855

INFO AMEMBASSY BEIRUT

AMCONSUL DHAHRAN

LIMITED OFFICIAL USE JIDDA 3839

DEPT PASS COMMERCE FOR MAJOR PROJECTS

E.O. 11652: N/A

TAGS: BEXP, SA

SUBJ: MAJOR PROJECTS: NEW JIDDA AIRPORT

REF: STATE 174301

1. DROP OUT OF BROWN & ROOT, MORRISON KNUDSEN GIVE RISE  
TO FOLLOWING SPECULATIVE ALTERNATIVES:

A) REALIGNMENT OF ZACHARY WITH BOEING;

B) ZACHARY PERSUADE BROWN & ROOT TO NOMINAL PARTICIPA-  
TION ONLY TO SATISFY PREQUALIFICATION REQUIREMENT, BUT  
WITH ZACHARY ASSUMING ALL SUBSTANTIVE RESPONSIBILITY;

C) ZACHARY SUBMITTING BID ON ITS OWN REGARDLESS, HOPING  
FOR POST-FACTO RELAXATION OF REQUIREMENT OF \$240 MILLION  
ANNUAL TURNOVER.

2. HAVE DISCUSSED ABOVE VARIATIONS WITH AIRWAYS ENGI-  
NEERING REPS AND WITH AIRPORT COMMITTEE SECRETARY LT.  
COL NASSIEF. ALTERNATIVE C SEEMS MOST PROMISING. BROWN  
& ROOT'S INTENTION SUBMIT ALTERNATE PROPOSAL WOULD CREATE  
OBVIOUS COMPLICATIONS FOR BOTH ALTERNATIVES A AND B.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 JIDDA 03839 061104Z

3. NASSIEF OBVIOUSLY DISAPPOINTED AT PROSPECT OF LOSING

ALL AMERICAN COMPETITORS. SPEAKING OFF-THE-RECORD HE SUGGESTED THAT ZACHARY IGNORE TECHNICAL INELIGIBILITY AND SUBMIT BID. WHILE OF COURSE MAKING NO PROMISES, HE INDICATED THAT ZACHARY BID PROBABLY WOULD BE GIVEN CONSIDERATION PROVIDED REPEAT PROVIDED IT WAS GENUINELY COMPETITIVE. NASSIEF ALSO SAW NO OBJECTION TO BROWN & ROOT SUBMITTING ALTERNATIVE SCHEDULE, BUT WAS NOT SO SANGUINE ABOUT ITS SUCCESS UNLESS IT WERE ALSO STRONGLY COMPETITIVE. (THIS OF COURSE NOT VERY LIKELY IN VIEW OF B&R'S APPREHENSION ABOUT PROFIT MARGINS.)

4. WHILE NASSIEF DID NOT WANT TO BE TAKEN AS SPEAKING OFFICIALLY, WE GIVE CONSIDERABLE WEIGHT TO HIS OPINION, THE MORE SO IN THAT HE REPORTS DIRECTLY TO MINISTER OF DEFENSE AND MAY EXERT EVEN MORE INFLUENCE THAN CIVAIR D.G. MAHDI.

5. FOR BROWN & ROOT INFO, UNDERSTAND MAHDI CURRENTLY VACATIONING IN HAWAII.

6. ACTION REQUESTED: ABOVE INFORMATION BE PASSED SELECTIVELY TO ZACHARY AND TO B&R. TO PROTECT NASSIEF REQUEST HE BE DESCRIBED ONLY AS "INFLUENTIAL SAG SOURCES."  
THACHER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 SEP 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973JIDDA03839  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** JIDDA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730952/aaaablws.tel  
**Line Count:** 85  
**Locator:** TEXT ON-LINE  
**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 174301  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 07 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <07-Jan-2002 by kelleyw0>; APPROVED <23-Jan-2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MAJOR PROJECTS: NEW JIDDA AIRPORT  
**TAGS:** BEXP, SA  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005